

KEYSPAN ENERGY DELIVERY NEW ENGLAND
D.T.E. 05-68

SECOND SET OF INFORMATION REQUESTS OF THE
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY TO
KEYSPAN ENERGY DELIVERY NEW ENGLAND

DTE 2-18

Date: February 14, 2006

Respondent: Leo Silvestrini

- Q. Refer to pages 22 and 28 of the Company's filing. Discuss how the own-price elasticities used in the End-Use Model were developed.
- A. The price elasticities used in the Company's forecast were developed by Arthur D. Little in conjunction with the initial development of the model and have been reviewed and updated in the course of the subsequent studies, with the most recent update taking place in 2000. In the Company's experience, these elasticities remain relatively stable over time.